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FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

CTIA

Cellular
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May 4, 1994

BY HAND

Mr. William F. Caton Secretary Federal Communications Commission 1919 M Street, NW, Room 222 Washington, DC 20554

Re:

Ex Parte Presentation GEN Docket No. 90-314

Dear Mr. Caton:

On Wednesday, May 4, 1994, the Cellular Telecommunications Industry Association (CTIA), represented by Messrs. John T. Stupka of Southwestern Bell Mobile Systems, Dennis F. Strigl of Bell Atlantic Mobile Systems, James A. Dwyer of Independent Cellular Network, Michael E. Kalogris of Horizon Cellular, and Thomas E. Wheeler and Randall S. Coleman of CTIA, made two presentations to the Commission concerning the referenced rulemaking. The first meeting was with Mr. Rudolfo M. Baca of Commissioner James H. Quello's office. The second meeting included Chairman Reed E. Hundt, his Special Assistant, Ms. Karen Brinkmann, and Dr. Robert M. Pepper, Mr. Donald Gips and Mr. Gregory Rosston of the Office of Plans and Policy. The views expressed in this meeting, as summarized in the attached presentation materials, reflect CTIA's position as previously filed in this docket.

Pursuant to Section 1.1206(a)(1) of the Commission's Rules, an original and one copy of this letter and attached presentation materials are being filed with your office.

If you have any questions concerning this submission, please contact the undersigned.

Sincerely,

Randall S. Coleman

Attachment

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List A B C D E



Building The Wireless Future...

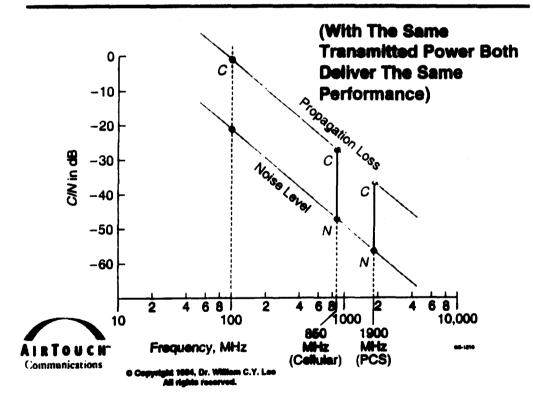
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Why Cellular Operators Care About PCS Desision
OFFICE OF THE SECRETARY

It's Good Spectrum

800 MHz and 2 GHz functionally equivalent

C/N Remains Constant Between 850 MHz And 1900 MHz



It Opens Opportunities

In territory:

new services

Out of territory:

new markets



Building The Wireless Future.

How Much Spectrum To Be Viable?

All Block Sizes Are Viable

Cellular-Viable With 25 MHz (analog)

Required Usable Spectrum For Equivalence

•	Analog	25 MHz
•	TDMA	8.4 MHz
•	MIRS	3.5 MHz
•	CDMA	2.5 MHz

The successful bidder wants the largest possible block

Digital means smaller spectrum has same capacity



Building The Wireless Future

But What About . . .

Cellular "Head Start"

- Non-wireline cellular
- v. wireline head start

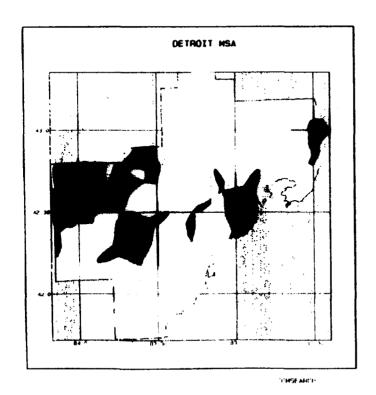
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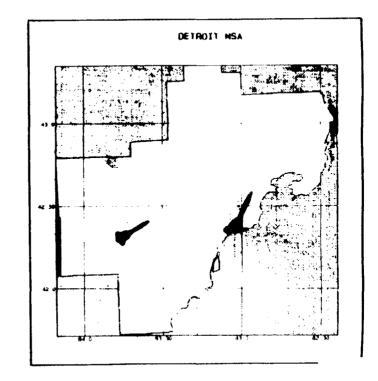
MCI & Sprint

- AT&T 100 year head start
- Southwest Airlines, et al v.
- United Airlines, et al

Microwave Congestion

• Answer depends on the question







Building The Wireless Future...

Competitive Spectrum Parity

Simple parity -- If 40 MHz is cap, cellular should be allowed to reach that cap

Capacity disparity -- Even with 40 MHz, cellular won't have equivalent capacity

- PCS all digital
- Cellular must retain at least 10 MHz for analog
 - ✓ Universal service obligation
 - ✓ 16 million subscribers
 - ✓ Digital incompatibility default



Building The Wireless Future

Let's Move Forward

PCS has evolved from an unknown to an opportunity

- Cellular can provide service
 - In territory:

new services

Out of territory: new markets

How to best move forward. . .

- Building blocks encourage:
 - spectrum efficiency
 - rapid deployment
 - maximum opportunity
 - maximum equality
 - maximum competition
- Attribution and overlap
 - large license areas + strict limits = growth preclusion
- Clearing spectrum aggressively
 - Front end solution vs. back end large blocks



Building The Wireless Future...

Let's Move Forward

How to Best Move Forward . . .

- Post-Auction Flexibility
 - ✓ Disaggregation of spectrum
 - ✓ Disinvestment
- Small Business Encouragement
 - ✓ Encourage entrepreneurs
 - ✓ Discourage "rent a SWMR"
- Regulatory Parity
 - ✓ Licensing
 - ✓ CMRS regulation